

February 2, 2006

Mr. Jim Tischler  
Regional Water Quality Control Board  
North Coast Region  
5550 Skylane Boulevard, Suite A  
Santa Rosa, CA 95403

Subject: Estimated Cost for Continuing the Soil and Groundwater Remediation System at ARCO Gasoline Service Station, 440 Hearn Avenue, Santa Rosa, CA

Dear Jim:

Based on our meeting in December 2005 at the Regional Water Quality Control Board's (RWQCB's) offices and our recent telephone conversation, the following is a cost estimate for continuing the operation of the remediation system at the subject site. For cost saving purposes, we suggest conducting groundwater monitoring events on a semi-annual basis. In addition, we suggest monitoring the wells that have been completed in the A and B zones semi-annually; we propose monitoring the wells within the C, D and E zones on an annual basis.

SOMA's letter dated December 8, 2005 includes the estimated additional funding necessary for cleaning the groundwater as a result of the second release. The City of Santa Rosa Fire Department has documented the occurrence of the second release. Since the budget for the first release has almost been spent, the additional funding should occur almost immediately, before the system is shutdown.

Per your request, the following is our estimated minimal annual budget for monitoring and operating the existing soil and groundwater remediation system the site.

**Estimated Annual Expenses for  
Monitoring and Operation and Maintenance**

<b>Item</b>	<b>Annual Cost</b>
Groundwater Monitoring	\$35,000
Reporting to BAAQMD and City	\$7,000
Laboratory Analysis	\$11,500
Carbon Change-out	\$7,500
SOMA's Staff (supervision of remediation)	\$14,500
Propane (IC unit), power bill +disposal fee	\$8,000
Repair/replacement	\$8,000
Travel	\$2,000
<b>Total Annual Cost</b>	<b>\$93,500</b>

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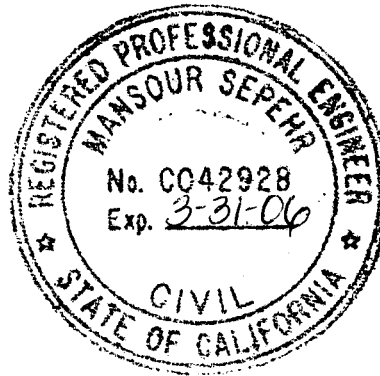
As suggested, we are not planning to conduct the First Quarter 2006 groundwater monitoring event, therefore your timely approval or disapproval of our suggested monitoring schedule is highly appreciated.

This summarizes our estimated costs as requested. Please do not hesitate to call me at (925) 734-6400, if you have any questions or comments.

Sincerely,



Mansour Sepéhr, Ph.D., PE  
Principal Hydrogeologist



cc: Mr. Michael Gholami